

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of Thundermin Resources Inc. ("Thundermin") were prepared by management in accordance with Canadian generally accepted accounting principles. The most significant of these accounting principles have been set out in the December 31, 2009 audited financial statements. Only changes in accounting policies have been disclosed in these financial statements. Management acknowledges responsibility for the preparation and presentation of the financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to Thundermin's circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfills its financial reporting responsibilities and for reviewing and approving the period end financial statements together with other financial information. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process and the period end financial statements together with other financial information of Thundermin. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the period end unaudited interim financial statements together with other financial information of Thundermin for issuance to the shareholders.

Management recognizes its responsibility for conducting Thundermin's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of Thundermin have been prepared by and are the responsibility of Thundermin's management.

Thundermin's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") for Thundermin Resources Inc. ("Thundermin") is intended to supplement and compliment the accompanying unaudited financial statements and notes thereto for the three and nine month periods ending September 30, 2010, which have been prepared by Thundermin's management in accordance with Canadian generally accepted accounting principals ("GAAP") for interim financial statements. The MD&A should also be read in conjunction with Thundermin's annual MD&A which was filed on SEDAR on March 31, 2010. Thundermin's independent auditor has not audited or performed a review of the interim financial statements. This MD&A is dated November 8, 2010. Thundermin's public filings, including its most recent Annual Information Form and 2009 Annual Report, can be viewed on the SEDAR website at www.sedar.com.

This MD&A, except for historical information, may contain "forward-looking statements" that reflect Thundermin's current expectations and projections about future results. When used in this MD&A, forward-looking statements can be identified by the use of words such as "estimate", "consider", "anticipate", "expect", "objective", "potential", "forecast", "believe", "project", "plan" and similar expressions or variations of such words. Forward-looking statements are, by their very nature, not guarantees of Thundermin's future operational or financial performance and these statements may involve known and unknown risks, uncertainties and other factors that may cause the actual level of activity, results, prospects and performance to differ materially from any future levels of activity, results, prospects and performance expressed in, or implied by, these forward-looking statements. Although Thundermin believes the expectations expressed in such forward-looking statements are based on reasonable

assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements and there are no guarantees that any of Thundermin's projects will otherwise prove to be economic.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties referred to elsewhere in this MD&A, actual events may differ materially from current expectations. Thundermin disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Corporate Overview

Thundermin is a Canadian mineral exploration company focused on the discovery of new base metal and gold deposits in Canada. Thundermin has an interest in, or the right to acquire an interest in, 11 base metal and gold properties in Canada. In addition, Thundermin has a 6% net profits interest royalty in 26 base metal and gold properties located in Manitoba and Saskatchewan, a 3% net smelter returns ("NSR") royalty in a nickel-copper property located in the Ungava region of northern Quebec and a 1% NSR royalty in a gold-copper property located in the Stewart area of British Columbia. Thundermin also holds various shareholdings in thirteen, Canadian-based, junior resource companies that are actively exploring for gold, base metal, chrome, vanadium-titanium and diamond deposits in Canada (see "Marketable Securities"). Thundermin is a reporting issuer in Ontario, Quebec, Manitoba, Saskatchewan, Alberta and British Columbia and its shares trade on the Toronto Stock Exchange under the trading symbol THR. Thundermin's head office is located in Toronto, Ontario.

On June 20, 2007, Thundermin and 50% joint venture partner, Cornerstone Resources Inc. ("Cornerstone") announced that they had signed an agreement with Weyburn Investments Ltd. ("Weyburn") under which Thundermin and Cornerstone have the right to earn a 100% interest in Weyburn's Little Deer Copper Deposit ("Deposit") and adjacent property which is located approximately 10 kilometres ("kms") north of Springdale in north-central Newfoundland. As of September 30, 2010, Thundermin and Cornerstone have completed approximately 36,000 metres ("m") of drilling in 47 holes on the Deposit. On October 13, 2010, a revised National Instrument 43-101 ("NI 43-101") compliant mineral resource estimate was announced for the Deposit. Scott Wilson Roscoe Postle Associates Inc. ("Scott Wilson RPA") of Toronto, Ontario, Thundermin's independent resource estimate consultants, estimated that the Deposit contains Indicated Resources of 1,150,500 tonnes ("t") at an average grade of 2.8% Cu and additional Inferred Resources of 2,335,500 t at an average grade of 2.1% Cu. On October 19, 2010, excellent metallurgical results from scoping level test work on core samples from the Deposit were announced. The metallurgical test work,

which was undertaken at SGS Lakefield Research Limited ("Lakefield") of Lakefield, Ontario, indicates that a saleable, high grade copper concentrate grading over 28% copper with over 97% recovery and free of any deleterious elements can be produced from the Deposit (see "Little Deer Copper Property").

During the period 2005 to 2009, Thundermin optioned the Pelletier Lake gold property near Rouyn-Noranda, Quebec; the Scott Lake zinc-copper property near Chibougamau, Quebec; the Gold Hawk gold property near Val d'Or, Quebec; the Blue Quartz gold property in Ontario; the Obalski, Cossette and Ramsey gold properties near Chibougamau, Quebec and the Valdora gold property near Val d'Or, Quebec to Alexis Minerals Corporation ("Alexis"); Cogitore Resources Inc. ("Cogitore"); Niogold Mining Corporation ("Niogold"); Russet Lake Resources Inc. ("Russet Lake") (now Red Mile Minerals Corp. ("Red Mile")); a private individual ("Optionee"), and Alexandria Minerals Corporation ("Alexandria"), respectively. Thundermin has been advised by the respective optionees that exploration programs have been or will be carried out on these properties during 2010 (see "Optioned Properties").

Results from Operations

During the three month period ended September 30, 2010, Thundermin had net income of \$120,307 (\$0.00 per share) compared to net income of \$72,333 (\$0.00 per share) for the corresponding period in 2009. During the nine month period ended September 30, 2010, Thundermin incurred a net loss of \$112,216 (\$0.00 per share) compared to net income of \$229,529 (\$0.00 per share) for the corresponding period in 2009. The net income of \$120,307 for the three month period ended September 30, 2010 resulted from income from operations of \$42,447 and a gain on sale of marketable securities of \$77,860. The net income of \$72,333 for the three month period ended September 30, 2009 was due solely to income from operations of \$72,333. The net loss of \$112,216 for the nine month period ended September 30, 2010 was due to a loss from operations of \$190,076 that was partially off-set by a gain on sale of marketable securities of \$77,860. The net income of \$229,529 for the nine month period ended September 30, 2009 resulted from a loss from operations of \$330,470 that was more than off-set by the gain on sale of marketable securities of \$414,999 and the recovery of income taxes – future of \$145,000.

Administration expenses for the three month period ended September 30, 2010 remained constant at \$63,519 compared to \$63,048 for the same period in 2009. Administration expenses for the nine month period ended September 30, 2010 decreased to \$276,110 from \$320,404 for the corresponding period in 2009. Decreases in administration expenses for the three month period ended September 30, 2010 compared to the same period in 2009 of \$1,163 from \$2,954 for supplies: \$8,683 from \$9,948 for shareholder information; and a refund of \$14,065 from a refund of \$1,868 for capital tax were off-set by increases in wages paid to \$34,044 from \$28,542; in consultants fees to \$11,010 from \$9,500; and flow-through tax to \$4,444 from \$nil. The decrease

in administration expenses for the nine month period ended September 30, 2010 compared to the same period in 2009 was primarily due to a decrease in audit charges to \$6,850 from \$37,000; a decrease in filing fees to \$23,525 from \$29,596; a decrease in legal fees to \$1,625 from \$20,167; a decrease in other professional services to \$nil from \$6,413; and a decrease in transfer agent fees to \$14,336 from \$21,291. These decreased costs were partially offset by an increase in costs for general expense to \$9,162 from \$2,790; an increase for consultants fees to \$34,019 from \$29,038; an increase in costs for shareholder information to \$24,195 from \$21,425; an increase in telephone costs to \$4,492 from \$3,126; a decrease in capital taxes refunded to \$9,801 from a refund of \$11,330; an increase in flow-through tax to \$4,444 from \$nil; and an increase in income tax – Federal/Provincial harmonization paid to \$1,381 from \$nil.

Revenues for the three month period ending September 30, 2010 decreased to \$113,692 from \$143,063 in the corresponding period in 2009. Revenues for the nine month period ending September 30, 2010, decreased to \$115,570 from \$144,855 for the same period in 2009. The decrease in revenues for both the three month and nine month periods ended September 30, 2010 was mainly due to a decrease in the gain on the disposal of mineral rights to \$12,125 from \$142,950 for the corresponding periods in 2009 which was substantially off-set by an increase in royalty income to \$101,425 from \$nil for the corresponding periods in 2009. During the nine month period ending September 30, 2010, Thundermin received \$520 in interest (2009 – \$1,905).

Liquidity and Capital Resources

Thundermin's source of funding to meet exploration expenditures and cover administrative costs is to raise equity financing through private placements or the exercise of warrants as well as receiving proceeds from option payments from mineral property transactions, from the sale of marketable securities, from managing joint venture exploration programs and from government grants.

On February 19, 2010, Thundermin received a \$50,000 grant from the Government of Newfoundland & Labrador under its Junior Company Exploration Assistance Program ("JEA") with respect to exploration expenditures made on the Little Deer property during the first half of 2009. On March 30 and April 29, 2010, Thundermin received JEA grants of \$50,000 and \$40,765, respectively, with respect to exploration expenditures made on the Little Deer property during the second half of 2009. Thundermin has a signed contract under the JEA program for 2010 and expects to receive a \$50,000 JEA grant during Q4-2010 with respect to exploration expenditures made on the Little Deer property during the first half of 2010.

On June 14, 2010, Thundermin received \$50,000 as a result of the exercise of an agent's option on 625,000 shares at a price of \$0.08 per share relating to a flow-through share transaction completed on December 31, 2008.

On August 13, 2010, Thundermin received proceeds of \$124,845 from the sale during July and August, 2010 of 169,500 shares of Niogold and 25,000 shares of Queenston Mining Inc. ("Queenston") from its marketable securities.

On September 8, 2010, Thundermin received a payment of \$101,425 from Alexis with respect to Thundermin's 2.5% NSR royalty on 3,443 ounces of gold recovered from an approximately 25,000 t bulk sample which was mined by Alexis from the Pelletier Lake gold deposit during Q4-2009, Q1-2010 and Q2-2010.

On September 9, 2010, Thundermin received a cash payment of \$10,000 and 25,000 shares from Red Mile as per the terms of a joint venture agreement on Thundermin's Blue Quartz gold property.

At September 30, 2010, Thundermin had cash and cash equivalents of \$203,184 compared to \$787,439 as at December 31, 2009. Thundermin's cash and cash equivalents as at September 30, 2010 comprised cash of \$103,240 and \$99,944 in Bankers' Acceptances which are short-term promissory notes that are guaranteed by Canadian banks. Accounts receivable as at September 30, 2010 amounted to \$18,091 (December 31, 2009 – \$174,108) and included government GST and QST tax receivables and exploration amounts due from a joint venture partner.

Working capital as at September 30, 2010 was \$1,200,481 compared to \$2,144,523 as at December 31, 2009. Working capital as at September 30, 2010 includes the \$1,014,478 quoted market value of Thundermin's marketable securities. Management will continue to review its portfolio of marketable securities with the view to maximizing returns in the market when conditions permit.

Financing Activities

Thundermin did not enter into any financing arrangements during the third quarter of 2010. Thundermin, however, will evaluate all avenues for raising additional funds for both exploration and general corporate purposes during the remainder of 2010, including the issuance of flow-through shares and the sale of some of its marketable securities. Thundermin intends to raise up to \$1,250,000 in order to continue its exploration effort on its Canadian exploration properties for the remainder of 2010 and the first half of 2011, in particular the Little Deer property, and for working capital purposes.

Summary of Quarterly Results

The following selected financial data are derived from the unaudited interim financial statements of Thundermin, which were prepared in accordance with Canadian generally accepted accounting principles for interim financial statements (*see Table 1 on the following page*).

The fluctuation in Thundermin's quarterly net loss/income over the last eight quarters is primarily due to gains on the sale of mineral properties, marketable securities and NSR revenues from gold production from a bulk sample and the write-down of the carrying value of resource properties. The carrying values of resource properties are written down at the time the properties are abandoned or considered to be impaired in value.

Table 1. Summary of Quarterly Results

	2010			2009				2008
		\$			\$			
For the Quarters Ended	Sept 30	June 30	Mar 31	Dec 31	Sept 30	June 30	Mar 31	Dec 31
Revenues	113,692	150	1,728	275	143,063	513	1,279	4,250
Administration expenses	63,519	91,924	120,667	70,050	63,048	122,411	134,945	151,818
Mineral properties & exploration cost written off	7,726	4,046	8,089	910,790	1,282	–	–	48,699
Gain on sale/ transfer of mineral properties	2,125	–	1,500	–	142,950	–	–	–
Marketable securities	1,014,478	997,798	1,129,801	1,333,561	1,426,874	946,130	1,286,013	924,484
Gain on sale of marketable securities	77,860	–	–	–	–	414,999	–	–
Net income (loss)	120,307	105,495	(127,028)	980,565	72,333	293,101	(135,905)	(271,267)
Basic and diluted net earnings (loss) per share	0.00	(0.00)	(0.00)	(0.01)	0.00	0.00	(0.00)	(0.00)
Total assets	4,088,490	3,923,249	4,260,988	4,432,067	4,910,056	4,462,549	4,319,123	4,164,293
Exploration expenditures	291,022	284,368	160,249	298,525	124,049	333,295	67,780	168,996
Working capital	1,200,481	1,201,930	1,660,075	2,144,523	2,102,003	1,615,715	1,963,081	1,760,870
Financing activities	–	–	–	500,000	–	–	–	500,000

Exploration

During the third quarter of 2010, Thundermin incurred exploration expenditures of \$291,022 compared to \$124,049 in the third quarter of 2009. The majority of these funds were expended on continued diamond drilling of the Little Deer Copper Deposit (“Deposit”), an updated NI 43-101 compliant mineral resource estimate for the Deposit, a scoping level metallurgical test program on copper mineralization from the Deposit and on miscellaneous other projects, including landholding costs associated with Thundermin’s portfolio of other Canadian properties.

Thundermin’s exploration expenditures to September 30, 2010 were approximately \$750,000, the majority of which was spent on the Deposit with 50% partner Cornerstone contributing a further \$750,000. Thundermin anticipates that it may spend an additional \$200,000 on borehole geophysical surveys and diamond drilling during the fourth quarter of 2010.

Borehole Pulse EM geophysical surveys are currently underway on 7 to 8 of the recently completed deep drill holes. Information gained from these surveys will assist with the targeting of new deep drill holes that will form part of a new drill program on the Deposit that is expected to commence this fall and carry on into 2011.

During the fourth quarter of 2010, Thundermin also expects to undertake an initial diamond drilling program on its 100% owned Lebel gold property which is located on the Kirkland Lake Main Break approximately 1 km east of the Kirkland Lake City Center. The Lebel property is ideally located between the past-producing

Torburn Gold Mine, with historical production of 570,000 ounces of gold and 135,000 ounces of silver from approximately 1,078,500 t of ore, directly to the west and the Glenora Gold Mine directly to the northeast. The purpose of the program will be to test the down dip projection of the gold mineralization known to occur in historical surface trenches in the northwest corner of the Lebel property and to test for the eastern strike extension of the high grade gold mineralization known to occur on the adjacent Torburn property.

Little Deer Copper Deposit

On June 20, 2007, Thundermin and 50% joint venture partner, Cornerstone, signed an agreement with Weyburn under which Thundermin and Cornerstone have an option to acquire a 100% interest in Weyburn’s past-producing Little Deer Copper Deposit (“Deposit”) and adjacent property which is located approximately 10 kms north of Springdale in north-central Newfoundland. Thundermin, under its joint venture agreement with Cornerstone, has the right to increase its interest in the joint venture to 75% by completing a feasibility study and by arranging 100% of the necessary bank financing required to place the property into commercial production. Details of the terms of the agreements with Weyburn and Cornerstone can be found on Thundermin’s website and on SEDAR.

On July 12, 2010, Thundermin and Cornerstone maintained their option to earn a 100% interest in the Little Deer property by each agreeing to pay \$100,000 to Weyburn in cash and/or shares. Thundermin issued 840,336 shares to Weyburn at a price of \$0.119 per share and Cornerstone issued 684,932 shares to Weyburn at

a price of \$0.146 per share. These share issuances maintain the option on the property in good standing until July 12, 2011. In order to fully exercise the option and earn a 100% interest in the property, Thundermin and Cornerstone must each pay a further \$750,000 to Weyburn, in cash and/or shares at each company's election, on or before July 12, 2011.

To September 30, 2010, Thundermin and Cornerstone have spent approximately \$5,737,000 on the Little Deer property. Exploration work included approximately 36,000 m of diamond drilling in 57 holes, borehole Pulse EM surveys, assaying of core samples, lithochemical analysis on whole rock samples, a Differential GPS survey of all recent and historical drill holes to determine accurate collar locations and elevations, 227 line kms of VTEM airborne electromagnetic and magnetic surveys, the completion of an updated NI 43-101 compliant mineral resource estimate for the Deposit and scoping level metallurgical test work on copper mineralization from the Deposit.

Mineral Resource Update

On October 13, 2010, Thundermin and Cornerstone announced that an updated NI 43-101 compliant mineral resource estimate had been completed by Scott Wilson RPA under the supervision of Mr. Reno Pressacco, M.Sc. (A), P.Geo., Senior Geologist for Scott Wilson RPA and an independent Qualified Person ("Q.P.") in accordance with NI 43-101. Scott Wilson RPA estimated that the Deposit contains Indicated Resources of 1,150,500 t at an average grade of 2.8% Cu and additional Inferred Resources of 2,335,500 t at an average grade of 2.1% Cu (see Table 1). A NI 43-101 compliant Letter Report entitled "Mineral Resource Update for the Little Deer Project" dated September 30, 2010, to support the updated mineral resource estimate, is available on Thundermin's website.

Table 1: Scott Wilson RPA Mineral Resource Estimate, September 30, 2010

Resource Classification/Zone	Tonnes	Cu%
<i>Indicated Mineral Resources</i>		
Little Deer Zone	1,150,500	2.8
<i>Inferred Mineral Resources</i>		
Little Deer Zone	1,227,300	2.2
Footwall Zone	1,108,200	1.9
<i>Total Inferred Resources</i>	2,335,500	2.1

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are estimated at a cut-off grade of 1.0% Cu. Tonnages are rounded.
3. Mineral Resources are estimated using an average long-term copper price of \$US 3.25 per pound and a \$US/\$CDN exchange rate of 0.90.
4. A minimum mining width of 2.0 metres was used.
5. No Mineral Reserves are present on the Little Deer property at this time.

The updated Little Deer mineral resource estimate was prepared by Scott Wilson RPA using a database containing 113 current and historical drill holes, 91 (48,814 m) of which were drilled from surface between 1961 and July 2010 and 22 (3,008 m) of which were drilled from underground during 1968. Of the 91 surface holes, Thundermin and Cornerstone have drilled 35,742 m in 57 holes, including all wedge holes and hole deepening.

Based on diamond drilling results to date, the Deposit is now interpreted to consist of two main copper-bearing zones, the Little Deer Zone and the Footwall Zone with the Footwall Zone occurring mainly west of, and from 50 to 75 m below, the Little Deer Zone. A number of additional copper-bearing zones have also been intersected in the footwall of these two zones by the drilling completed to date, but their extent and significance are unknown at the present time.

To date, the Deposit has been intersected over a strike length of approximately 1,050 m and to a vertical depth of approximately 1,000 m. The overall Deposit remains open along strike to the east and west, up dip and at depth and the potential exists for the discovery of additional mineral resources in all areas. Furthermore, the potential for additional mineralization is also believed to be high in the central gap between the Little Deer and Footwall Zones. Additional details on the Deposit can be found in numerous Thundermin news releases dated between May 1, 2007 and October 19, 2010 which are on Thundermin's website and on SEDAR.

Borehole Pulse EM geophysical surveys are currently being undertaken on 7 to 8 of the recently completed deep drill holes prior to the commencement of a new drill program on the Deposit. Information gained from these surveys will assist with targeting of new drill holes in these areas.

Metallurgical Test Work

On October 19, 2010, excellent metallurgical results from scoping level test work on core samples from the Deposit were announced. This work, which was undertaken at SGS Lakefield Research Limited ("Lakefield") of Lakefield, Ontario, indicates that a saleable, high grade copper concentrate grading over 28% copper with over 97% recovery and free of any deleterious elements can be produced from the Deposit. The use of a simple rougher-cleaner flowsheet, a common xanthate collector, pH control with lime and a relatively coarse primary grind for copper liberation from mineralization of medium hardness suggest that the operating costs should fall into the low range for any metallurgical plant constructed to treat the Little Deer mineralization (see *Highlights*).

Lakefield undertook a scoping level metallurgical test program on a representative sample of copper mineralization from the Deposit grading 2.43% copper, 0.034% cobalt, 0.03 g/t Au, 19.1% iron and 5.99% sulphur accompanied by basic environmental characterization of the flotation tailings produced from the metallurgical test program.

HIGHLIGHTS

- **Production of a saleable, high grade copper concentrate grading over 28% copper with over 97% copper recovery in locked cycle tests**
- **Copper concentrates free of any deleterious elements**
- **Copper recovered employing a simple rougher-cleaner flowsheet using a common xanthate collector**
- **Copper mineralization of medium hardness with Bond ball mill work index of 14.6 kilowatt hours per tonne ("kWh/t")**
- **Fresh and aged tailings decant solutions well within Canadian Metal Mining Effluent Regulations ("MMER") limits and non-lethal designations for MMER aquatic toxicology tests**

Mr. Andrew Hussey, P.Geo, Project Geologist and Lands Manager, Cornerstone Resources Inc., is the Q.P. that is responsible for supervising the drilling program on the Little Deer property for the purposes of NI 43-101. Mr. Hussey has reviewed the contents of this quarterly report for accuracy as it pertains to the Little Deer project.

Optioned Properties

On September 1, 2005, Thundermin granted to Alexis an option (the "Option") to acquire a 100% interest in Thundermin's **Pelletier Lake** gold property which is located in Rouyn-Noranda, Quebec (the "Agreement"). Under the terms of the Agreement, as amended, Alexis had until August 31, 2010 to exercise the Option and make a production commitment on the property, failing which the property would revert to Thundermin. Upon reaching commercial production, Thundermin will be entitled to a 2.5% NSR on any production from the property. Complete details of the Agreement can be found on Thundermin's website or on SEDAR.

On June 28, 2010, Alexis released a positive feasibility study for Pelletier Lake. The study confirmed the profitability of Pelletier Lake and suggested that the project had long term potential through additional exploration.

Measured and Indicated Resources at Pelletier Lake are estimated by Alexis to be 279,442 t grading 8.61 g/t Au (77,372 oz Au) at a cut-off grade of 5.5 g/t Au. Inferred Resources are estimated to be 419,514 t grading 8.37 g/t Au (112,899 oz Au) at a cut-off grade of 5.5 g/t Au. This resource estimate was prepared by Mr. Martin Peron, Eng., Superintendent of Geology, Pelletier Lake for Alexis and Q.P. as defined under NI 43-101.

On September 8, 2010, Thundermin received a cash payment of \$101,425 from Alexis with respect to Thundermin's 2.5% NSR royalty on 3,443 ounces of gold produced from an approximately 25,000 t bulk sample which was mined from the Pelletier Lake gold deposit during Q4-2009, Q1-2010 and Q2-2010.

Thundermin has agreed in principle to grant Alexis an extension until December 31, 2011 to exercise its Option. Alexis has committed to carry out additional exploration on the property sufficient in scope to complete a new feasibility study and to allow a production commitment to be made on or before December 31, 2011.

If Alexis makes a production commitment on the property by December 31, 2011, they will be required to achieve commercial production by June 30, 2013. Alexis has agreed to pay \$150,000 to Thundermin for the extension.

On May 25, 2005, Thundermin granted Cogitore an option to acquire a 100% interest in Thundermin's **Scott Lake** massive base metal property located in Chibougamau, Quebec in consideration of staged payments totaling \$285,000 in cash and the issuance of 300,000 shares over a two year period. Among other things, upon reaching commercial production Cogitore is required to make a final cash payment to Thundermin ranging from \$1,000,000 to \$4,000,000, depending on the size of the deposit discovered, and issue to Thundermin 1,000,000 treasury shares. To date, Cogitore has been successful in discovering additional copper-zinc mineralization on the property. On November 23, 2009, Cogitore announced an NI 43-101 compliant mineral resource estimate for the West Zone of 3.6 million t grading 1.1% Cu, 5.2% Zn, 0.3 G/t Au and 36.0 g/t Ag. Diamond drilling is continuing on the property with the aim of expanding the current resources during 2010. Complete details of the agreement can be found on Thundermin's website or on SEDAR.

On July 18, 2008, Thundermin granted an Optionee the option to acquire a 100% interest in Thundermin's **Obalski, Cossette and Ramsey** gold properties located in the Chibougamau area of northern Quebec. In consideration of such option, the Optionee paid \$25,000 cash and issued 250,000 shares of Roxmark Mines Limited (now 66,666 shares of Goldstone Resources Inc.) to Thundermin upon signing of the agreement. To maintain the option, the Optionee must pay an additional \$25,000 to Thundermin on or before the first anniversary of the agreement, which payment was received, and complete \$75,000 in exploration on the property on or before the third anniversary of the agreement. Should the Optionee earn a 100% interest in the properties, Thundermin will be entitled to a 1.0% to 1.5% NSR in such properties, 0.5% to 1.0% of which can be purchased from Thundermin by the Optionee at any time for from \$500,000 to \$1,000,000. The Optionee has undertaken exploration work on the properties during 2010.

On July 15, 2009, Thundermin completed an agreement of purchase and sale with Alexandria with respect to Thundermin's 49% interest in the **Valdora** gold property located in Bourlamaque and Louvicourt Townships, Quebec. The purchase price for Thundermin's interest in the property was 75,000 common shares of Alexandria and 75,000 common share purchase warrants entitling Thundermin to purchase 75,000 common shares of Alexandria for \$0.15 per share on or before July 29, 2011. In addition, Thundermin is entitled to a 1.0% NSR on any production from the property, 0.5% of which can be purchased by Alexandria for \$200,000 at any time up to 90 days after the approval by Alexandria's board of a production decision with respect to the property. Alexandria has conducted exploration work on the property during 2010.

On July 29, 2009, Thundermin entered into an Option Assignment Consent Agreement wherein Red Mile, an Alberta corporation, acquired the rights of Russet Lake to earn a 100% interest in the **Blue Quartz** gold property as a Qualifying Transaction prior to listing on the Toronto Stock Exchange ("TSX-V"). To maintain the option, Red Mile was required to make an additional cash payment of \$10,000, issue an additional 50,000 shares to Thundermin and complete an additional \$150,000 of work on the property on or before September 1, 2010, which was done, and must make a further cash payment of \$10,000, issue a further 50,000 shares to Thundermin and complete a further \$250,000 of work on the property on or before September 1, 2011. Should Red Mile earn its interest in the property, Thundermin will retain a 0.5% NSR, 0.25% of which can be purchased from Thundermin at any time by Russet Lake for \$250,000.

On July 21, 2010, Red Mile announced that it had completed 1,500 m of drilling in four holes on the Blue Quartz property. Significant results include 5.3 g/t Au over 2.8 m, 11.9 g/t Au over 2.8 m, including 23.8 g/t over 1.0 m, and 1.6 g/t Au over 9.1 m, including 57.4 g/t over 0.2 m.

Share Capital

As at September 30, 2010, Thundermin had 73,429,861 shares outstanding which is an increase of 1,465,336 shares compared to December 31, 2009. In addition, as at September 30, 2010, Thundermin had 1,388,885 warrants and 3,370,000 stock options outstanding, which if fully exercised would add another 4,758,885 shares to Thundermin's issued capital and add approximately \$700,000 to Thundermin's working capital.

Marketable Securities

As at September 30, 2010, Thundermin owned 147,700 shares of Queenston, a well-financed, junior resource company, which is exploring its large land position in the Kirkland Lake gold camp of northern Ontario and has a new gold discovery on its 100% owned Upper Beaver property. In addition, Queenston, along with 50% joint venture partner, Kirkland Lake Gold Inc. ("KGI"), is exploring the extension of KGI's high grade South Mine Complex gold mineralization on claims held jointly by Queenston and KGI. Thundermin also owned 367,155 shares of KWG Resources Inc., which is exploring for copper-zinc, nickel-copper-platinum-palladium massive sulphide deposits and chrome deposits in the James Bay Lowlands of northern Ontario; 300,000 shares of Cogitore, which is exploring for massive copper-zinc sulphide deposits mainly in Quebec (including the Scott Lake property that Cogitore acquired from Thundermin); 250,000 shares of Mountain Boy Minerals Ltd. which is exploring for copper-gold deposits in the Stewart area of British Columbia; 200,000 shares of Niogold, which is exploring for gold west of Val d'Or, Quebec; 120,100 shares of Apella Resources Inc. (formerly Novawest Resources Inc. ("Novawest")), which is exploring for vanadium-titanium deposits in the Chibougamau area of Quebec; 75,000 shares of Alexandria which is exploring for gold in Bourlamaque and Louvicourt Townships of Quebec; 75,000 shares of Red Mile, which is exploring

for gold on Thundermin's Blue Quartz property in Ontario and in the Baie Verte area of Newfoundland; 66,666 shares of Goldstone Resources Inc. (formerly 250,000 shares of Roxmark Mines Limited) which, along with Premier Gold Mines Ltd., is exploring for gold in the Geraldton gold camp of north-western Ontario; 43,300 shares of Cascadia International Resources Inc.; 32,000 shares of Lounor Exploration Inc.; 24,020 shares of Pro Minerals Inc. (a spin-out from Novawest) and 1,528 shares of Opawica Explorations Inc. The quoted market value of Thundermin's marketable securities as at September 30, 2010 was \$1,014,478 compared to \$1,333,561 as at December 31, 2009.

Contractual Obligations

On May 1, 2009, Thundermin entered into an accounting support services agreement with Marrelli Support Services Inc. ("MSSI") whereunder MSSI will provide, beginning July 1, 2009, certain accounting support services to Thundermin for an annual fee of \$19,000 per year. On July 8, 2009, in connection with such agreement with MSSI, Thundermin retained Mr. Robert D. B. Suttie, senior manager with MSSI, as its Chief Financial Officer. MSSI will be paid a fee of \$8,000 per year for Mr. Suttie's services. In addition, Mr. Suttie was granted a 5-year option to purchase 50,000 shares of Thundermin at \$0.16 per share. On April 21, 2010, Mr. Suttie was granted a further 5-year option to purchase an additional 75,000 shares of Thundermin at \$0.145 per share.

Pursuant to flow-through share agreements entered into in October and November, 2009, Thundermin was required to spend a minimum of approximately \$500,000 on qualifying Canadian Exploration Expenditures during 2010. As at September 30, 2010, Thundermin had expended such amount predominantly on a diamond drilling program on the Little Deer Copper Deposit.

On November 3, 1998, Thundermin entered into an employment agreement with Thundermin's Named Executive Officer, the President and CEO, Mr. John B. Heslop, which agreement provides for the payment of an annual salary to Mr. Heslop of \$175,000 per year. The agreement had an initial term ending October 31, 2000 and automatically renews annually thereafter unless either party elects to terminate the agreement by a specified date during any such term. In addition, Mr. Heslop will be entitled to receive an amount equal to two years salary in the event of his termination by Thundermin (except for cause or voluntary resignation or retirement) or under circumstances where his job functions, duties and/or responsibilities cease to be those presently undertaken by Mr. Heslop. As well, upon any such termination, non-salary benefits, including health benefits and the retention of stock options, of Mr. Heslop continue for a period of two years following termination.

Off Balance Sheet Arrangements

As of September 30, 2010, Thundermin had no off balance sheet arrangements such as guaranteed contracts, contingent interests in assets transferred to an entity, derivative instrument obligations or any instruments that could trigger financing, market or credit risk to Thundermin.

Proposed Transactions

Thundermin's exploration efforts in the past three years have been focused on the Little Deer Copper Project in Newfoundland. Current market conditions for raising new capital along with the low price of Thundermin shares would make the raising of large amounts of new equity capital for new projects highly dilutive to existing shareholders. As a result, at the present time, there are no new acquisitions at an advanced stage of consideration. Management is, however, continuing to evaluate potential transactions or business combinations that are considered to be of long term strategic value.

Management is currently seeking a joint venture partner for its RLM base metal property in the Snow Lake area of Manitoba. Initial discussions have been had with several selected potential acquirers but no transaction for this property is imminent.

Exploration and Mining Standards and Risks

Thundermin conducts its exploration programs with high standards under "Exploration Best Practices Guidelines" established by the Canadian Institute of Mining, Metallurgy and Petroleum, which conform to NI 43-101 Standards of Disclosure for Mineral Projects and Companion Policy 43-101CP.

Thundermin's exploration programs are designed and managed by "Qualified Persons" who ensure that all exploration practices are based on industry standards. All mineral resource and reserve estimates comply with NI 43-101 unless stated otherwise.

All drill core samples to be assayed are selected by a Qualified Person, sawed in half and half sent to a registered commercial assay laboratory for analysis. Routine check samples are analyzed at a second laboratory and half of the drill core is kept for future reference.

Thundermin has not determined whether its properties contain reserves that are economically viable. Thundermin's financial success will be dependent upon the extent to which it can discover mineralization on its existing properties and the economic viability of developing such properties once technical and feasibility reports have been completed. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine with any certainty and is dependent on a number of factors, many of which are beyond Thundermin's control. Primary risks include the low success rate in the mineral exploration business of the discovery of new mineral deposits and metal price fluctuations. In addition, there can be no assurances that future environmental, political and regulatory changes will not adversely affect various aspects of Thundermin's operations.

Financial Instruments and Risk Factors

Thundermin's financial instruments consist of cash and cash equivalents, accounts receivable, marketable securities and accounts payable and accrued liabilities.

Management does not believe that these financial instruments expose Thundermin to any significant interest, currency or credit risks arising from these financial instruments. The fair market values of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their carrying values. Marketable securities are carried at quoted fair market value.

Thundermin's risk exposure and the impact on its financial instruments are summarized below:

(a) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment/contractual obligations. Thundermin is exposed to credit risk on its cash and cash equivalents and accounts receivable. Thundermin has deposited the cash and cash equivalents with reputable Canadian financial institutions, from which management believes the risk of loss is minimized. Management believes that credit risk concentration with respect to the financial instruments included in accounts receivable is remote. As at September 30, 2010, no accounts receivable are considered past due or impaired.

(b) Liquidity Risk

Thundermin's approach to managing liquidity risks is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2010, Thundermin had cash and cash equivalents of \$203,184 (December 31, 2009 – \$787,439) and accounts receivable of \$18,091 (December 31, 2009 – \$174,108) to settle current liabilities of \$35,272 (December 31, 2009 – \$150,585). In addition, as at September 30, 2010, the quoted value of Thundermin's marketable securities was \$1,014,478 (December 31, 2009 – \$1,333,561).

(c) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

(i) Interest Rate Risk

Thundermin has cash balances and no interest bearing debt. Thundermin's current policy is to invest excess cash in investment grade short-term deposit certificates issued by its banking institutions. Thundermin monitors the investments it makes and is satisfied with the credit ratings of its banks.

(ii) Price Risk

Thundermin is exposed to price risk with respect to commodity and equity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Commodity price risk is remote since Thundermin is not a producing entity. Equity price risk is defined as the potential adverse impact on Thundermin's earnings due to movements in individual equity prices or general movements in the level of the stock market. Thundermin closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by Thundermin.

Sensitivity Analysis

Thundermin's marketable securities consist mainly of equity investments in various publicly listed entities. Based on management's knowledge and experience of the financial markets, Thundermin believes the following movements are "reasonably possible" over a twelve month period:

- (i) A variance of 10% in the market value of Thundermin's marketable securities would affect comprehensive income by \$101,448.

Fair Value Hierarchy and Liquidity Risk Disclosure

In June 2009, the CICA issued an amendment to Handbook Section 3862 to provide improvements to fair value and liquidity risk disclosures. The amendment applies to Thundermin's fiscal year ending December 31, 2009. This adoption resulted in additional disclosure as provided below.

The following summarizes the methods and assumptions used in estimating the fair value of Thundermin's financial instruments where measurement is required. The fair value of short-term financial instruments approximates their carrying amounts due to the relatively short period to maturity. These include cash, receivables, and accounts payable and accrued liabilities. Equity investments classified as available-for-sale that do not have an active trading market are recorded at cost. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy included in GAAP. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data.

	Level One	Level Two	Level Three
Cash and cash equivalents	\$ 203,184	\$ –	\$ –
Marketable securities	\$ 1,011,327	\$ –	\$ 3,151

Critical Accounting Estimates

Critical accounting estimates used in the preparation of the financial statements include Thundermin's estimate of recoverable value on its exploration properties as well as the value of stock-based compensation. Both of these estimates involve considerable judgment and are, or could be, affected by significant factors that are out of Thundermin's control.

The recorded value of Thundermin's exploration properties is based on historical costs that expect to be recovered in the future. Thundermin's recoverability evaluation is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. Thundermin is in

an industry that is exposed to a number of risks and uncertainties, including exploration risk, development risk, commodity price risk, operating risk, ownership and political risk, funding risk as well as environmental risk. There is always the potential for a material alteration to the presentation in the financial statements in the value of exploration properties subject to risks and changes presently not determinable and out of Thundermin's control.

The factors affecting stock-based compensation include estimates of when stock options might be exercised and the stock price volatility. The timing for exercise of options is out of Thundermin's control and will depend, among other things, upon a variety of factors including the market value of Thundermin's shares and financial objectives of the holders of the options. Thundermin has used historical data to determine volatility in accordance with Black-Scholes modeling, however the future volatility is inherently uncertain and the model has its limitations. While these estimates can have a material impact on the stock-based compensation and hence results of operations, there is no impact on Thundermin's financial condition.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all material information is gathered and reported to senior management, including the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary, on a timely basis so that appropriate decisions can be made regarding public disclosure.

Thundermin's Chief Executive Officer and Chief Financial Officer, being the certifying officers, have evaluated the effectiveness of the design and operation of Thundermin's disclosure controls and procedures. Based on this evaluation, the certifying officers have concluded that Thundermin's disclosure controls and procedures, as defined in National Instrument 52-109 – Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") of the Canadian Securities Regulators, were effective and provide reasonable assurance that information required to be disclosed in Thundermin's annual filings and interim filings and reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported in a timely fashion.

It should be noted that a control system, including Thundermin's disclosure and internal controls and procedures, no matter how well conceived can provide only reasonable, but not absolute, assurance that the objectives of the control system will be met and it should not be expected that the disclosure and internal controls and procedures will prevent all errors or fraud.

The Company uses a service organization in Canada to perform some of its financial reporting functions including the preparation of financial statements.

Management currently monitors the work performed by the service organization through the review of financial statements and other financial information and discussions with the staff of the service organization.

The particular service organization obtained an auditors report of controls as at September 30, 2009 that stated its internal controls are documented and are operating effectively.

Design of Internal Controls over Financial Reporting (“ICFR”)

Under NI 52-109, Thundermin’s President and Chief Executive Officer and Chief Financial Officer are responsible for designing ICFR or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. An evaluation of Thundermin’s ICFR was performed by the President and Chief Executive Officer and the Chief Financial Officer, with the assistance of other corporate personnel to the extent necessary or appropriate. Based on this evaluation, the President and Chief Executive Officer and the Chief Financial Officer concluded that Thundermin’s ICFR were effective as at September 30, 2010. There was no change in Thundermin’s ICFR that occurred during the period beginning on July 1, 2010 and ended on September 30, 2010, that has materially effected, or is reasonably likely to materially affect, Thundermin’s ICFR.

Changes in Accounting Policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, “Business Combinations”; Section 1601, “Consolidated Financial Statements” and Section 1602, “Non-Controlling Interests”. These new standards will be effective for fiscal years beginning on or after January 1, 2011. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3 – Business Combinations. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent

to the corresponding provisions of IFRS IAS 27 – Consolidated and Separate Financial Statements. Thundermin adopted these standards effective January 1, 2010 and the adoption had no material impact on the results of operations or financial position.

Future Changes in Accounting Policies

Convergence with International Financial Reporting Standards (“IFRS”)

The Canadian Accounting Standards Board has confirmed that IFRS will replace current Canadian GAAP for publicly accountable enterprises, including Thundermin, effective for fiscal years beginning on or after January 1, 2011. Accordingly, Thundermin will report interim and annual financial statements (with comparatives) in accordance with IFRS beginning with the quarter ended March 31, 2011.

IFRS Transition Plan

Thundermin has established a comprehensive IFRS transition plan and engaged third-party advisers to assist with the planning and implementation of its transition to IFRS. The following summarizes Thundermin’s progress and expectations with respect to its IFRS transition plan (see below).

Impact of Adopting IFRS on Thundermin’s Business

As part of its analysis of potential changes to significant accounting policies, Thundermin is assessing what changes may be required to its accounting systems and business processes. Thundermin believes that the changes identified to date are minimal and the systems and processes can accommodate the necessary changes.

To date, Thundermin has not identified any contractual arrangements that may be affected by potential changes to significant accounting policies.

Thundermin’s staff and advisers involved in the preparation of the financial statements are being trained on the relevant aspects of IFRS and the anticipated changes to accounting policies. Employees of Thundermin who will be affected by a change to business processes as a result of the conversion to IFRS will also be trained as necessary.

Initial scoping and analysis of key areas for which accounting policies may be impacted by the transition to IFRS.	Completed during Q3 2009
Detailed evaluation of potential changes required to accounting policies, information systems and business processes, including the application of IFRS 1 First-Time Adoption of International Financial Reporting Systems.	Completed
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives	In progress – completion expected in Q4-2010
Resolution of the accounting policy change implications on information technology, internal controls and contractual arrangements	In progress – completion expected in Q4-2010
Management and employee education and training	Throughout the transition process
Quantification of the Financial Statement impact of changes in accounting policies	Throughout 2010

The Board of Directors and the Audit Committee have been regularly updated on the progress of the IFRS conversion plan and made aware of the evaluation of the key aspects of IFRS affecting Thundermin.

First-time Adoption of IFRS

The adoption of IFRS requires the application of IFRS 1 *First-time Adoption of International Financial Reporting Standards* ("IFRS 1"), which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS, effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment.

Thundermin has identified the following optional exemptions that it expects to apply in its preparation of an opening IFRS statement of financial position as at January 1, 2010, Thundermin's "Transition Date":

- To apply IFRS 2 *Share-based Payments* only to equity instruments that were issued after November 7, 2002 and had not vested by the Transition Date.
- To apply IFRS 3 *Business Combinations* prospectively from the Transition Date, therefore not restating business combinations that took place prior to the Transition Date.
- To apply the transition provisions of IFRIC 14 *Determining Whether an Arrangement Contains a Lease*, therefore determining if arrangements existing at the Transition Date contain a lease based on the circumstances existing at that date.
- To apply IAS 23 *Borrowing Costs* prospectively from the transition date. IAS 23 requires the capitalization of borrowing costs directly attributable to the acquisition, production or construction of certain assets.
- To designate its marketable securities as available-for-sale at the Transition Date. Under IFRS financial assets must be designated as available-for-sale on initial recognition, however this first-time adoption exemption allows Thundermin to designate previously recognized financial assets as available-for-sale.

Prior to reporting interim financial statements in accordance with IFRS for the quarter ending June 30, 2011, Thundermin may decide to apply other optional exemptions contained in IFRS 1.

IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of Thundermin's opening IFRS statement of financial position as at the Transition Date will be consistent with those made under Canadian GAAP. If necessary, estimates will be adjusted to reflect any difference in accounting policy.

Impact of Adopting IFRS on Thundermin's Financial Statements

The adoption of IFRS will result in some changes to Thundermin's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements.

The following provides a summary of Thundermin's evaluation to date of potential changes to accounting policies in key areas based on the current standards and guidance within IFRS. This is not intended to be a complete list of areas where the adoption of IFRS will require a change in accounting policies, but to highlight the areas Thundermin has identified as having the most potential for a significant change. The International Accounting Standards Board has a number of ongoing projects, the outcome of which may have an effect on the changes required to Thundermin's accounting policies on adoption of IFRS. At the present time, however, Thundermin is not aware of any significant changes expected prior to its adoption of IFRS that would affect the summary provided below.

(1) Exploration and Evaluation Expenditures

Subject to certain conditions, IFRS currently allows an entity to determine an accounting policy that specifies the treatment costs related to the exploration for and evaluation of mineral properties.

Thundermin does not expect any changes to its accounting policies related to exploration and evaluation expenditures that would result in a significant change to line items within its financial statements.

(2) Impairment of (Non-financial) Assets

IFRS requires a write-down of assets if the higher of the fair market value and the value-in-use of the group of assets is less than its carrying value. Value-in-use is determined using discounted estimated future cash flows. Current Canadian GAAP requires a write-down to estimated fair value only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value.

Thundermin's accounting policies related to impairment of non-financial assets will be changed to reflect these differences. However, Thundermin does not expect that this change will have an immediate impact on the carrying value of its assets. Thundermin will perform impairment assessments in accordance with IFRS at the Transition Date.

(3) Share-based Payments

In certain circumstances, IFRS requires a different measurement of stock-based compensation related to stock options than current Canadian GAAP.

Thundermin does not expect any changes to its accounting policies related to share-based payments that would result in a significant change in line items within its financial statements.

(4) Asset Retirement Obligations (Decommissioning Liabilities)

IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations that it will take certain actions.

Thundermin's accounting policies related to decommissioning liabilities will be changed to reflect these differences. However, Thundermin does not expect this change will have an immediate impact on the carrying value of its assets.

(5) Property and Equipment

IFRS contains different guidance related to recognition and measurement of property and equipment than current Canadian GAAP.

Thundermin does not expect any changes to its accounting policies related to property and equipment that would result in a significant change to line items within its financial statements.

(6) Income Taxes

In certain circumstances, IFRS contains different requirements related to recognition and measurement of future (deferred) income taxes.

Thundermin does not expect any changes to its accounting policies related to income taxes that would result in a significant change to line items within its financial statements.

Subsequent Disclosures

Further disclosures of the IFRS transition process are expected as follows:

- Thundermin's MD&A for the 2010 interim periods and the year ended December 31, 2010 will include updates on the progress of the transition plan, and, to the extent known, further information regarding the impact of adopting IFRS on the key items in the financial statements.
- Thundermin's first financial statements prepared in accordance with IFRS will be the interim financial statements for the three months ending March 31, 2011, which will include notes disclosing transitional information and disclosure of new accounting policies under IFRS. The interim financial statements for the three months ending March 31, 2011, will also include 2010 financial statements for the comparative period, adjusted to comply with IFRS, and Thundermin's transition date IFRS statement of financial position at January 1, 2010.

Outlook

Thundermin's primary exploration focus during the remainder of 2010 and into the first half of 2011 will continue to be on the Little Deer Copper Deposit and surrounding exploration lands. Borehole Pulse EM geophysical surveys are currently underway on 7 to 8 of the recently completed deep drill holes. Information gained from these surveys will assist with the targeting of new deep drill holes that will form part of a new drill program on the Deposit that, subject to financing, will commence this fall and continue into 2011. In addition, a recent review of historical geological information obtained from the archives of the Ministry of Natural Resources suggests that there may be potential for the discovery of additional, high grade resources at shallow elevations in the eastern part of the Deposit. Additional drilling is required in this area to confirm this potential. This proposed drill program will help to determine if sufficient quantities of economic grade copper mineralization exist at depth and along strike from the areas that were mined in the early 1970's to justify the development of a new copper mine at Little Deer.

During the fourth quarter of 2010, Thundermin also expects to undertake an initial diamond drilling program on its 100% owned Lebel gold property which is located on the Kirkland Lake Main Break immediately east of the past-producing Torburn Gold Mine.

In addition, Thundermin intends to continue to review new exploration properties of merit in Canada for the discovery of new base metal and gold deposits. Thundermin will also continue its strategy to joint venture or sell exploration properties from its inventory that no longer meet its exploration criteria.

Other Information

Additional information on Thundermin may be examined and/or obtained through the internet on SEDAR by accessing www.sedar.com and on **Thundermin's revised and updated website at www.thundermin.com** or by contacting the company.

THUNDERMIN RESOURCES INC. – UNAUDITED INTERIM FINANCIAL STATEMENTS

INTERIM BALANCE SHEETS

As at September 30, 2010 (Unaudited) and December 31, 2009 (Audited)

	2010	2009
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	203,184	787,439
Accounts receivable	18,091	174,108
Marketable securities	1,014,478	1,333,561
	1,235,753	2,295,108
Mineral properties and exploration costs (note 4)	2,852,737	2,136,959
	4,088,490	4,432,067
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	35,272	150,585
Shareholders' equity		
Share capital (note 5)	14,445,063	14,269,296
Contributed surplus	863,542	879,634
Accumulated other comprehensive income	433,994	709,717
Deficit	(11,689,381)	(11,577,165)
	4,053,218	4,281,482
	4,088,490	4,432,067

Nature of Operations (note 1)

The accompanying notes are an integral part of these unaudited interim financial statements.

INTERIM STATEMENTS OF OPERATIONS

For the three and nine month periods ended September 30, (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
	\$	\$	\$	\$
Revenues				
Interest income	142	113	520	1,905
Bulk sample royalty income	101,425	–	101,425	–
Gain on disposal of mineral rights	12,125	142,950	13,625	142,950
	113,692	143,063	115,570	144,855
Expenses				
Administration	63,519	63,048	276,110	320,404
Stock-based compensation expense	–	6,400	9,675	153,639
Mineral properties and exploration costs written off	7,726	1,282	19,861	1,282
	71,245	70,730	305,646	475,325
Income (loss) from operations	42,447	72,333	(190,076)	(330,470)
Gain on sale of marketable securities	77,860	–	77,860	414,999
Income (loss) before provision for income taxes	120,307	72,333	(112,216)	84,529
Recovery of income taxes – future	–	–	–	145,000
Net income (loss) for the period	120,307	72,333	(112,216)	229,529
Basic and diluted earnings per share (note 9)	0.00	0.00	0.00	0.00

INTERIM STATEMENTS OF COMPREHENSIVE INCOME

For the three and nine month periods ended September 30, (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
	\$	\$	\$	\$
Net income (loss) for the period	120,307	72,333	(112,216)	229,529
Unrealized gain (loss) on marketable securities for the period	210,685	472,795	(126,578)	928,441
Reclassification adjustment for gains included in net income for the period	(149,145)	–	(149,145)	(355,000)
Comprehensive income (loss) for the period	181,847	545,128	(387,939)	802,970

INTERIM STATEMENTS OF DEFICIT AND ACCUMULATED OTHER COMPREHENSIVE INCOME

For the three and nine month periods ended September 30, (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
	\$	\$	\$	\$
Deficit, beginning of period	(11,809,688)	(10,668,933)	(11,577,165)	(10,826,129)
Net income (loss) for the period	120,307	72,333	(112,216)	229,529
Deficit, end of period	(11,689,381)	(10,596,600)	(11,689,381)	(10,596,600)
Accumulated other comprehensive income, beginning of period	372,454	330,235	709,717	229,589
Unrealized gain (loss) on marketable securities for the period	210,685	472,795	(126,578)	928,441
Reclassification adjustment for gains included in net income for the period	(149,145)	–	(149,145)	(355,000)
Accumulated other comprehensive income, end of period	433,994	803,030	433,994	803,030

The accompanying notes are an integral part of these unaudited interim financial statements.

INTERIM STATEMENTS OF CASH FLOWS

For the three and nine month periods ended September 30, (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2010	2009	2010	2009
	\$	\$	\$	\$
Operating activities				
Net income (loss) for the period	120,307	72,333	(112,216)	229,529
Items not affecting cash used in operating activities:				
Mineral properties and exploration costs written off	7,726	1,282	19,861	1,282
Stock-based compensation expense	–	6,400	9,675	153,639
Gain on disposal of mineral rights	(2,125)	(142,950)	(3,625)	(142,950)
Recovery of income taxes – future	–	–	–	(145,000)
Gain on sale of marketable securities	(77,860)	–	(77,860)	(414,999)
	48,048	(62,935)	(164,165)	(318,499)
Changes in non-cash working capital:				
Accounts receivable	256,844	95,258	156,017	166,309
Accounts payable	(116,606)	(161,520)	(115,313)	(123,346)
	188,286	(129,197)	(123,461)	(275,536)
Investing and exploration activities				
Mineral properties and exploration costs	(522,091)	(190,762)	(1,448,953)	(849,858)
Contribution from joint venturers	331,069	124,241	713,314	328,101
Cash proceeds on sale of mineral property	–	135,000	–	135,000
Government grants	–	–	100,000	50,000
Cash proceeds on sale of marketable securities	124,845	–	124,845	493,999
	(66,177)	68,479	(510,794)	157,242
Financing activities				
Cash proceeds on issuance of common shares	–	–	50,000	–
Increase (Decrease) in cash and cash equivalents	122,109	(60,718)	(584,255)	(118,294)
Cash and cash equivalents, beginning of period	81,075	697,702	787,439	755,278
Cash and cash equivalents, end of period	203,184	636,984	203,184	636,984
Cash and Cash Equivalents is represented by:				
Cash	103,240	179,904	103,240	179,904
Short-term deposits	99,944	457,080	99,944	457,080
	203,184	636,984	203,184	636,984

The accompanying notes are an integral part of these unaudited interim financial statements.

NOTES TO INTERIM FINANCIAL STATEMENTS

for the three and nine month periods ended September 30, 2010 and 2009 (Unaudited)

1. Nature of Operations

Thundermin Resources Inc. ("Thundermin") is a Canadian mineral exploration company focused on the exploration for and development of base metal and gold deposits in Canada.

In order to meet future expenditures and cover administrative costs, Thundermin may need to raise additional financing. Although Thundermin has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to Thundermin. These interim financial statements have been prepared on a going concern basis that assumes Thundermin will be able to realize its assets and discharge its liabilities in the normal course of business. The recoverability of the amounts shown for mineral properties and exploration costs is dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in mineral properties, the ability of Thundermin to obtain the necessary financing to continue the development of its mineral properties, and upon future profitable production. These interim financial statements do not reflect any adjustments to the carrying values of assets and liabilities that would be necessary if Thundermin were unable to achieve profitable operations or obtain adequate financing. Changes in future conditions could require material write-downs of the carrying values of mineral properties and exploration costs.

2. Basis of Presentation and Accounting Policies

The unaudited interim financial statements of Thundermin have been prepared by management in accordance with Canadian generally accepted accounting principles ("GAAP") for interim financial statements. Accordingly, they do not contain all of the disclosures required by Canadian GAAP for annual financial statements. These unaudited interim financial statements should be read in conjunction with Thundermin's audited annual financial statements for the year ended December 31, 2009 as they follow the same accounting policies and methods of their application as the annual financial statements for the year ended December 31, 2009.

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, "Business Combinations," Section 1601, "Consolidated Financial Statements" and Section 1602, "Non-Controlling Interests." These new standards will be effective for fiscal years beginning on or after January 1, 2011. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3 – Business Combinations. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27 – Consolidated and Separate Financial Statements. Thundermin adopted these standards effective January 1, 2010, with no impact on its results of operations or financial position.

Future Accounting Changes

International Financial Reporting Standards ("IFRS")

In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability. On February 13, 2008 the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Thundermin will be required to have prepared, in time for its first quarter of fiscal 2011 filing, comparative financial statements in accordance with IFRS for the three months ended March 31, 2010.

3. Segment Disclosure

Thundermin has one operating segment, being the exploration of mineral properties. All of Thundermin's assets are located in Canada.

4. Mineral Properties and Exploration Costs

On September 1, 2008, Thundermin granted Russet Lake Resources Inc. ("Russet Lake"), a private Ontario corporation, the option to acquire Thundermin's 50% interest in the Blue Quartz gold property located in northern Ontario. In consideration of such option, Russet Lake paid \$10,000 cash and issued 25,000 Russet Lake shares to Thundermin upon signing of the agreement. To maintain the option, Russet Lake must make additional cash payments of \$30,000 and issue an additional 125,000 shares to Thundermin and complete \$500,000 of exploration work on the property in stages over three years. On July 29, 2009, Thundermin entered into an Option Assignment Consent Agreement wherein Red Mile Capital Corp. ("Red Mile"), an Alberta corporation, acquired the rights of Russet Lake in the Blue Quartz property as a Qualifying Transaction prior to listing on the Toronto Stock Exchange ("TSX-V"). All Russet Lake shares received or due under the agreement will be replaced with Red Mile shares on a one for one basis. On September 24, 2009, Thundermin received a \$10,000 payment from Russet Lake as per the terms of the original agreement. Subsequent to year-end, Red Mile commenced trading on the TSX-V and Thundermin received an additional 25,000 shares of Red Mile that Thundermin had agreed to defer the receipt thereof until after the closing of the Russet Lake – Red Mile transaction. On September 9, 2010, Thundermin received an additional cash payment of \$10,000 and 25,000 shares from Red Mile as per the terms of the original agreement. Should Red Mile earn its interest in the property, Thundermin will retain a 0.5% NSR therein, 0.25% of which can be purchased from Thundermin at any time by Red Mile for \$250,000.

4. Mineral Properties and Exploration Costs (continued)

On July 13, 2010, the Company and 50% joint venture partner Cornerstone Resources Inc. ("Cornerstone") extended the option with Weyburn Investments Limited ("Weyburn") to earn a 100% interest in the Little Deer Copper Deposit (the "Deposit") located approximately 10 km north of Springdale in north-central Newfoundland. Under the terms of the agreement with Weyburn, in order to extend the option beyond the third anniversary of the agreement, Thundermin and Cornerstone agreed to pay Weyburn a total of \$200,000 (\$100,000 each in cash and/or shares at each company's election) on or before July 12, 2010. Thundermin elected to issue 840,336 shares, at a price of \$0.119 per share, and Cornerstone elected to issue 684,932 shares, at a price of \$0.146 per share. These payments will maintain the option on the Deposit in good standing until July 12, 2011.

On September 1, 2005, Thundermin granted to Alexis an option (the "Option") to acquire a 100% interest in Thundermin's Pelletier Lake gold property which is located in Rouyn-Noranda, Quebec (the "Agreement"). Under the terms of the Agreement, as amended, Alexis had until August 31, 2010 to exercise the Option and make a production commitment on the property, failing which the property would revert to Thundermin. Upon reaching commercial production, Thundermin will be entitled to a 2.5% NSR on any production from the property.

On November 8, 2010, Thundermin agreed in principle to grant Alexis an extension until December 31, 2011 to exercise its Option. Alexis has committed to carry out additional exploration on the property sufficient in scope to complete a new feasibility study and to allow a production commitment to be made on the property or before December 31, 2011. If Alexis makes a production commitment on the property by December 31, 2011, they will be required to achieve commercial production by June 30, 2013. Alexis has agreed to pay \$150,000 to Thundermin for the extension.

5. Share Capital

(a) Authorized

Thundermin is authorized to issue an unlimited number of common shares and an unlimited number of Class A shares, issuable in series.

(b) Issued and outstanding – Common Shares

	September 30,	December 31,
Issued – 73,429,861 (December 31, 2009 – 71,964,525)	\$ 14,445,063	\$ 14,269,296

The following transactions occurred with respect to common shares:

	September 30, 2010		September 30, 2009	
	Shares	Amount	Shares	Amount
Outstanding, beginning	71,964,525	\$ 14,269,296	68,844,636	\$ 13,963,740
Issued for mineral properties (note 4)	840,336	100,000	342,262	57,500
Agent option exercised	625,000	75,767	–	–
Tax benefits renounced	–	–	–	(145,000)
Cancelled on rounding	–	–	(151)	–
Outstanding, ending	73,429,861	\$ 14,445,063	69,186,747	\$ 13,876,240

6. Stock-Based Compensation and Warrants

A summary of the status of Thundermin's outstanding stock options as of September 30, 2010 and 2009 is presented below.

	September 30, 2010		September 30, 2009	
	Number of stock options	Weighted- average exercise price	Number of stock options	Weighted- average exercise price
Outstanding, beginning	3,295,000	\$ 0.10	2,950,000	\$ 0.13
Granted	75,000	0.145	2,245,000	0.10
Expired	–	–	(1,900,000)	0.15
Outstanding, ending	3,370,000	\$ 0.10	3,295,000	\$ 0.10

On April 21, 2010, the Company granted 75,000 incentive stock options with an exercise price of \$0.145 to a senior officer. A fair value of \$9,675 was determined utilizing the Black Scholes model for pricing options. This transaction was recorded in contributed surplus. The following assumptions were used:

Risk free interest rate	3.20%
Dividend yield	NIL
Expected stock volatility	126%
Expected life	5 years

6. Stock-Based Compensation and Warrants (continued)

The weighted-average remaining contractual life and weighted-average exercise price of options outstanding and of options exercisable as at September 30, 2010 are as follows:

Expiry Date	Options Outstanding			Options Exercisable	
	Number Outstanding	Weighted-average exercise price	Weighted-average remaining contractual life (years)	Number exercisable	Weighted-average exercise price
March 23, 2012	1,050,000	\$ 0.10	1.56	1,050,000	\$ 0.10
March 8, 2014	2,195,000	0.10	3.52	2,195,000	0.10
July 8, 2014	50,000	0.16	3.85	50,000	0.10
April 21, 2015	75,000	0.145	4.64	75,000	0.145
	3,370,000	\$ 0.10	2.94	3,370,000	\$ 0.10

Details of warrants outstanding are as follows:

	Number of Warrants	Exercise Price/Warrant	Expiry Date
Balance, December 31, 2009	4,513,885	\$ 0.25	
Expired during period	(3,125,000)	\$ 0.25	June 30, 2010
Balance, September 30, 2010	1,388,885	\$ 0.25	May 18, 2011
Balance, December 31, 2008	3,125,000	\$ 0.25	June 30, 2010
Expired during period	–		
Balance, September 30, 2009	3,125,000	\$ 0.25	June 30, 2010

7. Supplemental Cash Flow Information

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Interest received	\$ 292	\$ 113	\$ 520	\$ 1,792

8. Capital Disclosures

Thundermin's capital is composed of shareholders' equity. Thundermin manages its capital structure and makes adjustments to it, based on the funds available to Thundermin, in order to support the acquisition, exploration and development of mineral properties.

The properties in which Thundermin currently has an interest are in the exploration stage; as such Thundermin is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, Thundermin will spend its existing working capital and raise additional amounts as needed. Thundermin will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Thundermin is not subject to any externally imposed capital requirements.

9. (Loss) Earnings Per Common Share

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Numerator:				
Net income attributable to common shareholders – basic and diluted	\$ 120,307	\$ 72,333	\$ (112,216)	\$ 229,529
Denominator:				
Weighted-average common shares outstanding – basic	73,326,258	69,144,550	72,438,413	68,944,506
Effect of dilutive securities				
Employee stock options	–	1,287,958	–	878,716
Weighted-average common shares outstanding – diluted	73,326,258	70,432,508	72,438,413	69,823,222
Basic and diluted loss per common share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

As a result of the net losses for the three and nine months ended September 30, 2010, the potential effect of the exercise of stock options and warrants was anti-dilutive. Therefore, the options and warrants were excluded from the computation of weighted-average number of diluted common shares outstanding as their inclusion would be anti-dilutive.

10. Financial Risk Factors

Thundermin's risk exposure and the impact on its financial instruments are summarized below:

(a) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment/contractual obligations. Thundermin is exposed to credit risk on its cash and cash equivalents and accounts receivable. Thundermin has deposited the cash and cash equivalents with reputable Canadian financial institutions, from which management believes the risk of loss is minimized. Management believes that credit risk concentration with respect to the financial instruments included in accounts receivable is remote. As at September 30, 2010, no accounts receivable are considered past due or impaired.

(b) Liquidity Risk

Thundermin's approach to managing liquidity risks is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2010, Thundermin had a cash and cash equivalents balance of \$203,184 (December 31, 2009 – \$787,439) and accounts receivable of \$18,091 to settle current liabilities of \$35,272 (December 31, 2009 – \$150,585). In addition, as at September 30, 2010, the quoted value of Thundermin's marketable securities was \$1,014,478 (December 31, 2009 – \$1,333,561).

(c) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

(i) Interest Rate Risk

Thundermin has cash balances and no interest bearing debt. Thundermin's current policy is to invest excess cash in investment grade short-term deposit certificates issued by its banking institutions. Thundermin monitors the investments it makes and is satisfied with the credit ratings of its banks.

(ii) Price Risk

Thundermin is exposed to price risk with respect to commodity and equity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Commodity price risk is remote since Thundermin is not a producing entity. Equity price risk is defined as the potential adverse impact on Thundermin's earnings due to movements in individual equity prices or general movements in the level of the stock market. Thundermin closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by Thundermin.

Sensitivity Analysis

Thundermin's marketable securities consist mainly of equity investments in various publicly listed entities. Based on management's knowledge and experience of the financial markets, Thundermin believes the following movements are "reasonably possible" over a three month period:

(i) A variance of 10% in the market value of Thundermin's marketable securities would affect comprehensive income by \$101,448.

d) Fair Value Hierarchy and Liquidity Risk Disclosure

The following summarizes the methods and assumptions used in estimating the fair value of Thundermin's financial instruments where measurement is required. The fair value of short term financial instruments approximates their carrying amounts due to the relatively short period to maturity. These include cash, receivables, and accounts payable and accrued liabilities. Equity investments classified as available-for-sale that do not have an active trading market are recorded at cost. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy included in GAAP. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data.

	Level One	Level Two	Level Three
Cash and cash equivalents	\$ 203,184	\$ –	\$ –
Marketable securities	\$ 1,011,327	\$ –	\$ 3,151



201 – 133 Richmond Street West • Toronto • Canada • M5H 2L3

Phone: (647) 344-1167 • Fax: (416) 364-5098

E-mail: info@thundermin.com

Thundermin's revised and updated Website: www.thundermin.com